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Legislature Passes Net Neutrality Bill For Governor's Consideration

When federal regulators voted late last year to roll back net neutrality protections, Democratic Legislative Leaders pledged to preserve open access to the internet in California. Now, **SB 822** (Wiener, Dem-San Francisco), passed by the Assembly (61-18) and Senate (23-11) and delivered to Governor Jerry Brown, is a proxy battle in the larger national fight to reshape the internet. The legislation establishes the strongest net neutrality rules in the nation.

SB 822 prevents internet service providers (ISP) from blocking or slowing down websites and video streams, or charging websites fees for faster speeds. The bill bars broadband and wireless companies from selling faster delivery of some data, slowing speeds for certain content, or favoring selected websites over others. SB 822 also places new limits on zero-rated data plans, or package deals that allow ISPs to exempt some calls, texts, or other content from counting against a customer's data plan. Unlimited phone plans that give customers "free nights and weekends" are permitted. Data plans that exempt the same type of content from some companies over others – video streamed on YouTube but not Hulu, for example – would not. SB 822, in effect, reestablishes the Obama Administration net neutrality rules.

Calls in support of the legislation intensified week before last after news broke that Santa Clara County firefighters reported being hindered by inadequate internet service as they helped battle the Mendocino Complex fire in July. Over the past year, the powerful technology industry has expended millions to defeat the state's net neutrality efforts, while supporters have responded in kind with aggressive public advocacy campaigns. California is one of 29 states that have since considered net neutrality protections in the last year. Governors in 6 states, including Hawaii, New York, and Montana have signed executive orders to reinstate some form of net neutrality. Three states, Oregon, Vermont, and Washington, passed legislation to ensure such protections for government agencies and consumers.

Major telecommunications companies and broadband service providers argue the legislation reaches far beyond the scope of the rolled back federal regulations. Tech industry lobbyists explain the rules could lead to costly litigation, and create a patchwork of state and federal laws governing the internet. Other arguments against SB 822 are that it hurts tech innovation and is anti-competitive.

Legislature Passes Important Consumer Privacy Technical Change Measure

By respective votes of 79 to 0 and 39 to 0, the Assembly and Senate sent to Governor Jerry Brown **SB 1121** (Dodd, Dem-Napa), which is largely a technical correction bill to **AB 375** (Chau, Enacted 2018) – California Consumer Privacy Act. AB 375 grants, commencing on January 1, 2020, a consumer various rights with regard to personal information relating to that consumer that is held by a business. The Act requires a business that collects personal information about a consumer to disclose the consumer's right to delete personal information via its website or in its online privacy policy. In addition to over 20 technical change areas, SB 1121 is amended in the following manner.

Amendments:

- The bill prohibits application of AB 375 to personal information collected, processed, sold, or disclosed pursuant to the Gramm-Leach-Bliley Act relating to banks, brokerages, insurance companies, and credit reporting agencies and also excepts application to the California Financial Information Privacy Act.
- The bill expands the exception provided for medical information and excepts information collected as part of clinical trials.
- Delays AB 375 enforcement until either 6 months after the publication of the Attorney General's final regulations or July 1, 2020, whichever is sooner.
- Clarifies AB 375's private right of action only applies to assigning additional liability to businesses after a data breach.

Additional Amendments:

- Fixes drafting error that triples penalties for a negligent violation of AB 375 from \$2500 to \$7500.
- Further clarifies the Health Insurance Portability Accountability Act language with respect to providers of healthcare (with language that is not ideal but is acceptable to the coalition of HIPAA representatives).
- Removes the Attorney General's private right of action gatekeeping function. Removing that function is not supported by industry, but given that the AG made it clear he would not be precluding any consumers from proceeding with a data breach action (and that is likely true of any AG to follow given the statewide politics of California) – the impact of this change is not significant enough to change Chamber of Commerce coalition support if amend position. The consensus of the Chamber coalition on this point is that this bill needs to pass for the delayed implementation and the other changes it makes to AB 375.

When the bill was heard in the Assembly Privacy and Consumer Protection Committee, Assembly Member Jay Obernolte (Rep-San Bernardino) inquired about removing the AG private right of action gatekeeping role, to which Senator Robert Hertzberg (Dem-Van Nuys), the Senate lead on the bill, advised that the AG believes his office is not a regulator, but an

enforcement authority. It is not feasible to review every civil action claim because of the volume of potential cases; this effectively turns the AG's Office into a Public Utilities Commission, claims the AG.

Support & Opposition: California Chamber of Commerce; CTIA Wireless; Internet Association; TechNet; Motion Picture Association of America; PhRMA; California Life Sciences Association; Personal Insurance Federation of California; Association of California Life & Health Insurance Companies; America's Health Insurance Plans; California Medical Association; California Bankers Association; Consumers Union; Common Sense Kids Action (sponsor). Consumers Union and Common Sense Kids Action expressed support for the largely technical nature of SB 1121 in Committee. There is no bill opposition.

State Lawmakers Put Together Wildfire Prevention Plan; Approve It & Put On Governor's Desk

A bipartisan group of California lawmakers proposed to spend \$1 billion to clear fire-prone trees and brush from across the state over the next 5 years while providing new relief for utility companies that have said wildfire costs could lead them to bankruptcy. Senator Bill Dodd (Dem-Napa), Co-Chair of the Joint Wildfire Preparedness Conference Committee called the plan not perfect, but compromise was necessary to take steps to address the fact that California is on fire. The bill is **SB 901** (Dodd), which passed the Assembly 49 to 14 and Senate 29 to 4, and Governor Jerry Brown has until September 30 to sign or veto.

The agreement on SB 901 provision came only hours before a legal deadline for the proposal's final language to be available for public review. Electric utilities argued the proposal did not do enough to address their fire-related costs. However, their opposition was not floor fight worthy. While SB 901 lays out dozens of new wildfire prevention policies, including a streamlining of government approval to remove trees in heavy growth forests and exceptions to existing rules on the sizes of trees that can be removed, the late negotiations in Sacramento were focused on funding. Key lawmakers wanted to ensure that the state would spend enough money on new vegetation management programs, which include grants and other financial incentives for owners of smaller parcels of land to do the necessary work. The final proposal allocates \$1 billion over a 5-year period from the money collected by the sale of greenhouse gas emission credits through California's cap-and-trade climate program, which is of utmost importance to property insurers. Last year alone, California insurers paid \$12 billion in claims for the North Bay Firestorm and Thomas Fire.

The most contentious financial discussions on SB 901 centered around the distress call sounded by independently-owned electric utilities of possible bankruptcy over wildfire liability costs. Pacific Gas & Electric (PG&E) Company led that charge, warning analysts last month that it faces up to \$2.5 billion in costs related to deadly fires that burned through Northern California in 2017. SB 901 allows PG&E to impose a surcharge on its customers that would be used to then sell longterm bonds to cover those costs. It requires an independent assessment of how much money the company could afford to spend, described by lawmakers as a "stress test," before any additional costs are covered in a borrowing effort that's underwritten by a fee on ratepayers.

For future fires, utility companies would have their share of fault determined by the Public Utilities Commission. The final legislative language builds on a concept promoted last month by Governor Brown that companies should be responsible only for the costs of a fire that are proportional with their fault. State regulators would be tasked with making those determinations. It does not include the Governor's proposal to water down electric utility strict financial liability when equipment causes wildfire, however.

Major Healthcare Industry Segments Organize Against Single-Payer

A group of influential, well-financed business and healthcare organizations that have long helped shape the legislative agenda in California have joined forces to oppose any future effort to craft a universal, single-payer healthcare system in California. The main focus of the coalition, called Californians Against The Costly Disruption Of Our Healthcare, is to kill any single-payer healthcare bill in the state Legislature.

The most recent effort to create a single-payer system was **SB 562** (Lara, Dem-Bell Gardens) sponsored by the California Nurses Association that was shelved last year by Assembly Speaker Anthony Rendon (Dem-Lakewood). The Nurses Association plans to introduce another single-payer bill next year, but has not announced an author.

The anti-single payer coalition includes powerful groups representing the legislative interests in Sacramento of doctors, hospitals, insurers, and businesses. Instead of single-payer, the coalition is expected to press for alternatives, which could include several legislative proposals on healthcare that failed this year and some under discussion, including expanding state insurance subsidies, allowing undocumented adults to sign up for Medi-Cal and creating a state-based individual mandate for everyone to have coverage. Given Democratic gubernatorial candidate Gavin Newsom's support for single-payer, the coalition formed. Lieutenant Governor Newsom is the frontrunner in the California Governor's race.

Single-payer healthcare is scored at \$400 billion, more than twice the state budget. Half this amount would need to be state-financed and the other federal money.

Governor Brown Signs Homeowner Replacement Cost Estimate

On Monday, Governor Jerry Brown signed **AB 1797** (Levine, Dem-Marín), which requires an insurer that provides replacement cost coverage to provide, on an every other year basis, at the time an offer to renew a policy of residential property insurance is made to the insured, an estimate of the cost necessary to rebuild or replace the insured structure. The bill exempts an insurer from this requirement if either the policyholder has requested, within the 2 years prior to the offer to renew the policy, and the insurer has provided, coverage limits greater than the previous limits that the policyholder had selected, or if the insurer has made specified offers to the policyholder.

According to the author, this bill addresses underinsurance by consumers in the aftermath of firestorm disasters. Current regulations establish an approach on home replacement cost estimate furnishing, but that regulation did not mandate insurers to produce or update a replacement cost calculation. The bill is supported by the California Association of Realtors, Department of Insurance, Mendocino County Board of Supervisors, Napa County Board of Supervisors, and Sonoma County Board of Supervisors. There was no registered opposition to AB 1797.

Assembly Takes Action At Legislative Deadline; Delivers Bills To Governor, Then Leaves Town

Last Friday, the Assembly took action on remaining legislation. Approved bills were transmitted to Governor Jerry Brown for signature or veto. The body has left for the year. If a bill is not approved by August 31, 2018, it is dead. Governor Brown has until September 30, 2018 to sign or veto bills.

SB 30 (Lara, Dem-Bell Gardens) Insurer Climate Change Investment

Vote: Passed 72-2

Summary: This bill requires the Insurance Commissioner to convene a working group to identify, assess, and recommend risk transfer market mechanisms that promote investment in natural infrastructure to reduce the risks of climate change related to catastrophic events, create incentives for investment in natural infrastructure to reduce risks to communities, and provide mitigation incentives for private investment in natural lands to lessen exposure and reduce climate risks.

SB 212 (Jackson, Dem-Santa Barbara) Pharmaceutical & Sharps Waste

Vote: Passed 72-5

Summary: This bill establishes a pharmaceutical and sharps waste stewardship program, under which each manufacturer of covered drugs or sharps are required to establish and implement, either on its own or as part of a group of covered manufacturers through membership in a pharmaceutical and sharps waste stewardship organization, a waste stewardship program.

SB 311 (Pan, Dem-Sacramento) Commercial Cannabis Distributors

Vote: Passed 70-1

Summary: Current law requires a commercial cannabis distributor to arrange for a testing laboratory to obtain a representative sample of each cannabis batch at the distributor's premises for testing. Current law authorizes cannabis products fit for sale be transported only from the distributor's premises to the premises of a licensed retailer, microbusiness, or nonprofit. This bill requires that transportation be for the purpose of retail sale, and allows distributor to distributor transport of the commodity.

SB 327 (Jackson, Dem-Santa Barbara) Connected Device Information Privacy

Vote: Passed 53-22

Summary: Beginning in 2020, this bill requires a manufacturer of a connected device to equip the device with a reasonable security feature or features, appropriate to the nature and function of the device, and the information it may collect, contain, or transmit, designed to protect the device and any information contained therein from unauthorized access, destruction, use, modification, or disclosure.

SB 460 (De León, Dem-Los Angeles) State Agency Contracted Net Neutral Broadband

Vote: Failed 28-37

Summary: This bill requires an internet service provider that submits a bid or proposal to, or that otherwise proposes to enter into or renew a contract with, a state agency with respect to any contract in the amount of \$100,000 or more for the provision of broadband internet access service to certify that it is in full compliance with, and renders broadband internet access service to the state agency consistent with, specified provisions of SB 822 (Wiener, Dem-San Francisco) concerning the treatment of internet traffic.

SB 820 (Leyva, Dem-San Bernardino) Settlement Agreement Confidentiality

Vote: Passed 56-19

Summary: This bill prohibits a provision in a settlement agreement that prevents the disclosure of factual information relating to claims of sexual assault, sexual harassment, or harassment or discrimination based on sex, that are filed in a civil or administrative action. The bill makes a provision in a settlement agreement that prevents the disclosure of factual information related to the claim void as a matter of law and against public policy.

SB 822 (Wiener, Dem-San Francisco) Establishes Net Neutrality

Vote: Assembly 61-18

Summary: This bill prevents internet service providers (ISP) from blocking or slowing down websites and video streams, or charging websites fees for faster speeds. The bill bars broadband and wireless companies from selling faster delivery of some data, slowing speeds for certain content, or favoring selected websites over others. It also places new limits on zero-rated data plans, or package deals that allow ISPs to exempt some calls, texts, or other content from counting against a customer's data plan. Data plans that exempt the same type of content from some companies over others are prohibited.

SB 824 (Lara, Dem-Bell Gardens) Homeowners Insurance Renewal

Vote: Passed 79-0

Summary: This bill prohibits an insurer from canceling or refusing to renew a policy of residential property insurance for at least the next 2 annual renewal periods, but no less than 24 months of coverage from the date of the loss, after the declaration of a state of emergency based solely on the fact that the insured structure is located in an area in which a wildfire has occurred, with respect to an insured property located within or adjacent to the fire perimeter. An insurer cannot cancel or refuse to renew a policy of residential property insurance for a property located in any ZIP Code within or adjacent to the fire perimeter.

SB 826 (Jackson, Dem-Santa Barbara) Female Corporate Board Membership

Vote: Passed 41-26

Summary: This measure requires a corporation or foreign corporation that is publicly held whose principal executive offices are located in California to have a minimum of one female on its board of directors. By December 31, 2021, the bill increases that required minimum number to 2 female directors if the corporation has 5 authorized directors or 3 female directors if the corporation has 6 or more authorized directors. The bill requires the Secretary of State to publish reports on its website documenting the number of corporations in compliance with these provisions.

SB 833 (McGuire, Dem-Healdsburg) Office of Emergency Services Alert System

Vote: Passed 79-0

Summary: This measure requires the Office of Emergency Services (OES) in consultation with telecommunications carriers, the cable and broadband industry, radio and television broadcasters, California State Association of Counties, League of California Cities, the disability community, appropriate federal agencies, and the Standardized Emergency Management System Alert and Warning Specialist Committee, to develop guidelines for alerting and warning the public of an emergency. The bill requires OES to provide each city and county the guidelines developed.

SB 838 (Hertzberg, Dem-Van Nuys) Corporate Records Blockchain Use

Vote: Passed 80-0

Summary: This bill authorizes, until January 1, 2022, a corporation or a social purpose corporation that does not have outstanding securities listed on securities exchanges to adopt provisions within its articles of incorporation authorizing records administered by or on behalf of the corporation in which the names of all of the corporation's stockholders of record, the address and number of shares registered in the name of each of those stockholders, and all issuances and transfers of stock of the corporation to be recorded and kept on or by means of blockchain technology.

SB 894 (Dodd, Dem-Napa) Property Insurance Renewal

Vote: Passed 51-25

Summary: Current law requires an insurer, in the case of a total loss to the primary insured structure under a policy of residential property insurance, to offer to renew the policy at least once if the loss to the primary insured structure was caused by a disaster and was not also due to the negligence of the insured. This bill requires the insurer to offer to renew the policy for at least the next 2 annual renewal periods or 24 months, whichever is greater.

SB 899 (Pan, Dem-Sacramento) Workers Compensation Disability Determination

Vote: Passed 80-0

Summary: Current law requires a physician who prepares a report addressing the issue of permanent disability due to a claimed industrial injury to address in that report the issue of causation of the permanent disability. This bill prohibits a physician from using race, gender, or national origin in determining the percentage of permanent disability that was caused by other factors before and subsequent to the industrial injury.

SB 901 (Dodd, Dem-Napa) Wildfire Preparedness & Mitigation

Vote: Passed 29-4

Summary: This bill streamlines government approval to remove trees in heavy growth forests and makes exceptions to existing rules on the sizes of trees that can be removed. It provides vegetation management grants, including financial incentives for owners of smaller parcels of land to do the necessary work. To do so, it allocates \$1 billion over a 5-year period from the money collected by the sale of greenhouse gas emission credits. The bill also allows electric utilities to impose a surcharge on its customers that would be used to then sell longterm bonds to cover costs. It requires an independent assessment of how much money a company could afford to spend before additional costs are covered in a borrowing effort that's underwritten by a fee on ratepayers.

SB 910 (Hernandez, Dem-Alhambra) Short-Term Limited Duration Health Insurance

Vote: Passed 51-21

Summary: Current law requires an individual health insurance policy to include, at a minimum, coverage for essential health benefits. These healthcare coverage market reforms in the individual market do not apply to short-term limited duration health insurance policies offered by a health insurer. This bill, commencing January 1, 2019, prohibits a health insurer from issuing, selling, renewing, or offering a short-term limited duration health insurance policy.

SB 917 (Jackson, Dem-Santa Barbara) Landslide Insurance

Vote: Passed 47-22

Summary: Under current law, an insurer is liable for a loss of which a peril insured against was the proximate cause, although a peril not contemplated by the contract may have been a remote cause of the loss. Under current law, an insurer is not liable for a loss of which the peril insured was only the remote cause. This bill requires coverage to be provided if a loss or damage results from a combination of perils, one of which is a landslide, mudslide, mudflow, or debris flow, if an insured peril is the efficient proximate cause of the loss or damage and coverage would otherwise be provided for the insured peril.

SB 937 (Wiener, Dem-San Francisco) Workplace Lactation Accommodation

Vote: Passed 57-18

Summary: This bill requires a lactation room or location to include prescribed features and requires an employer to provide access to a sink and refrigerator in close proximity to the employee's work space. The bill requires an employer to develop and implement a policy regarding lactation accommodation and make it available to employees. This bill provides a private right of action for noncompliance.

SB 1013 (Lara, Dem-Bell Gardens) Fluorinated Refrigerants Restriction

Vote: Passed 63-12

Summary: Current law prohibits the manufacture and sale of specified chlorofluorocarbons (CFCs) as aerosol propellants, limits the percentage of new motor vehicles equipped with air-conditioners that utilize CFC-based products, requires the Air Resources Board to adopt

regulations to provide for the enforcement of those provisions, and imposes a civil penalty on persons violating those provisions. This bill applies all prohibitions on the use of class I and II substances, and substitutes, under the federal Clean Air Act.

SB 1021 (Wiener, Dem-San Francisco) Prescription Drug Cost Cap

Vote: Passed 78-0

Summary: Current law prohibits the formularies for outpatient prescription drugs maintained by a healthcare service plan or health insurer from discouraging the enrollment of individuals with health conditions and from reducing the generosity of the benefit for enrollees or insureds with a particular condition. Current law, until January 1, 2020, provides that the copayment, coinsurance, or any other form of cost sharing for a covered outpatient prescription drug for an individual prescription not exceed \$250 for a supply of up to 30 days. This bill extends those provisions until January 1, 2024.

SB 1077 (Wilk, Rep- R) Construction Wrap-Up Insurance

Vote: Inactive File. Dead_

Summary: Current law regulates the use of wrap-up insurance or other consolidated insurance programs in connection with construction projects. Current law distinguishes, in this regard, between residential construction projects, private residential works of improvement, and public works and other projects that are not residential. This bill recasts the wrap-up insurance or other consolidated insurance program requirements for public and other works of improvement that are not residential construction, entered into or amended on and after January 1, 2019, to track generally the requirements that apply to residential projects.

SB 1121 (Dodd, Dem-Napa) California Consumer Privacy Act Technical

Vote: Passed 39-0

Summary: In addition to over 20 technical change areas, this bill prohibits application of the California Consumer Privacy Act (CCPA) to personal information collected pursuant to the Gramm-Leach-Bliley Act relating to banks, brokerages, and insurance companies; expands the exception provided for medical information; delays CCPA enforcement until July 1, 2020; and, clarifies that CCPA's private right of action only applies to assigning additional liability to businesses after a data breach.

SB 1123 (Jackson, Dem-Santa Barbara) Paid Family Leave Disability Compensation

Vote: Passed 80-0

Summary: On and after January 1, 2021, this bill expands the scope of the family temporary disability insurance program to include time off to participate in a qualifying exigency related to the covered active duty, as defined, or call to covered active duty of the individual's spouse, domestic partner, child, or parent in the armed forces of the United States.

SB 1254 (Stone, Rep-Palm Springs) Hospital Pharmacy Medication Profiles

Vote: Passed 75-0

Summary: This bill requires a pharmacist at a hospital pharmacy to obtain a medication profile or list for each high-risk patient upon admission of the patient. The bill authorizes an intern pharmacist to perform the task of obtaining an accurate medication profile or list for a

high-risk patient. The bill requires the hospital to establish criteria regarding who is a high-risk patient, and determine a timeframe for completion of the medication profile or list, based on the populations served by the hospital.

SB 1260 (Jackson, Dem-Santa Barbara) Prescribed Fire Burns

Vote: Passed 80-0

Summary: Current law authorizes a local agency, at its discretion, to exclude from specified requirements governing fire risk reduction an area identified as a very high fire hazard severity zone within the jurisdiction of the local agency, following finding that those requirements are not necessary for effective fire protection within the area. This bill eliminates the above-described exemption and exclusion and requires the local agency to transmit a copy of the adopted ordinance to the Board of Forestry and Fire Protection (CalFire) within 30 days of adoption. This bill provides that CalFire may enter into an agreement, including a grant agreement, for prescribed burning or other hazardous fuel reduction efforts with any person to conduct prescribed burning operations.

SB 1272 (Galgiani, D-Stockton) Tax Recovery & Criminal Enforcement Taskforce

Vote: Passed 79-0

Summary: This measure establishes the Tax Recovery and Criminal Enforcement (TRaCE) Taskforce in the Department of Justice to combat underground economic activities through a multi-agency collaboration to pool resources, collaborate and share data, prosecute violations, and recover state revenue lost to the underground economy. This bill requires TRaCE teams to be located in Sacramento, Los Angeles, San Diego, the San Francisco Bay Area, and Fresno. It also establishes a TRaCE Taskforce executive board and TRaCE team committees to ensure multi-agency collaboration.

SB 1294 (Bradford, Dem-Inglewood) Cannabis State & Local Equity Programs

Vote: Passed 60-16

Summary: This bill authorizes the Bureau of Cannabis Control, upon request by a local jurisdiction, to provide technical assistance to a local equity program that helps local equity applicants or local equity licensees. The bill upon appropriation of funds by the Legislature authorizes an eligible local jurisdiction to submit an application to the Bureau for a grant to assist local equity applicants and local equity licensees through that local jurisdiction's equity program.

SB 1300 (Jackson, Dem-San Diego) Sexual Harassment Legal Standard

Vote: Passed 41-33

Summary: This measure provides that a plaintiff in an action alleging that a defendant failed to take all reasonable steps necessary to prevent discrimination and harassment from occurring is not required to prove that the plaintiff endured harassment or discrimination and provides that it suffices for the plaintiff to show that the employer knew that the conduct was unwelcome to the plaintiff, that the conduct meets the legal standard for harassment or discrimination if it increased in severity or becomes pervasive, and that the defendant failed to take all reasonable steps to prevent the same or similar conduct from recurring.

SB 1343 (Mitchell, Dem-Los Angeles) Workplace Sexual Harassment Training

Requirements

Vote: Passed 78-0

Summary: This legislation requires an employer who employs 5 or more employees to provide at least 2 hours of sexual harassment training to all employees by January 1, 2020, and once every 2 years after that. The bill requires the Department of Fair Employment and Housing to develop a 2-hour video training course on the prevention of sexual harassment in the workplace.

SB 1375 (Hernandez, Dem-Alhambra) Small Employer Group Health Insurance

Vote: Passed 57-22

Summary: This bill prohibits employer group health benefit plans from being issued through any arrangement, to a sole proprietorship or partnership without employees. It requires only individual health benefit plans to be sold to any entity without employees. The bill also revises the definition of eligible employee for purposes of all small employer health plan contracts and health insurance policies to exclude sole proprietors or their spouses, and partners or their spouses. The bill does not apply to multiple employer welfare arrangements regulated pursuant to Article 4.7 (commencing with Section 742.20) of Chapter 1 of Part 2 of Division 1 that provide healthcare benefits to their members on a self-funded or partially self-funded basis and that comply with small group health reforms.

SB 1409 (Wilk, Rep-Santa Clarita) Industrial Hemp Authorization

Vote: Passed 75-1

Summary: This bill deletes the requirement that industrial hemp seed cultivars be certified on or before January 1, 2013, in order to be included on the list of approved hemp seed cultivars. The bill authorizes industrial hemp to be produced by clonal propagation of industrial hemp that is on the list of approved seed cultivars. The measure also deletes the prohibitions on ornamental cultivation of industrial hemp plants, pruning and tending of individual industrial hemp plants, and culling of industrial hemp.

SB 1412 (Bradford, Dem-Inglewood) Job Applicant Criminal History Inquiry

Vote: Passed 45-31

Summary: This legislation requires employers to only consider convictions relevant to the job when screening job applicants using a criminal background check. It also clarifies the circumstances when an employer is prohibited from asking an applicant about criminal convictions that have been judicially dismissed or ordered sealed by limiting employer inquiries to particular convictions where conviction of a crime would legally prohibit someone from holding that job.

SB 1442 (Wiener, Dem-San Francisco) Community Pharmacy Staffing

Vote: Passed 70-8

Summary: This measure prohibits a community pharmacy from requiring a pharmacist to engage in the practice of pharmacy at any time the pharmacy is open to the public, unless either another employee of the pharmacy or, if the pharmacy is located within another establishment, an employee of the establishment within which the pharmacy is located is

made available to assist the pharmacist at all times. The bill exempts a multitude of pharmacies with certain practices, including hospital pharmacies, from its provisions, and specifies that violation of its provisions does not constitute a crime.

SB 1447 (Hernandez, Dem-Alhambra) Pharmacy Automated Drug Delivery Systems

Vote: Passed 74-0

Summary: Current law requires a pharmacy that owns or provides dangerous drugs dispensed through an automated drug delivery system (ADDS) to register the system. This bill instead requires an ADDS to meet requirements in order to be installed, leased, owned, or operated in the state, including a license for the ADDS issued by the Board of Pharmacy to the holder of a valid and active pharmacy license.

SB 1459 (Cannella, Rep-Merced) Cannabis Provisional License

Vote: Passed 73-1

Summary: The Medicinal and Adult Use Cannabis Regulation and Safety Act consolidates the licensure and regulation of commercial medicinal and adult-use cannabis activities. This bill, until January 1, 2020, authorizes a licensing authority to issue a provisional license. The bill requires the provisional annual license to be valid for 12 months and prohibits the license from being renewed.

Senate Takes Action At Legislative Deadline; Transmits Bills To Governor, Concludes Business For The Year

Last Friday, the Senate took action on remaining legislation. Approved bills were transmitted to the Governor for signature or veto. The body has left for the year. If a bill is not approved by August 31, 2018, it is dead. Governor Brown has until September 30, 2018 to sign or veto bills.

AB 237 (Gonzalez-Fletcher, Dem-San Diego) Small Dollar Loan Pilot Program

Vote: Passed 33-0

Summary: The California Financing Law, until January 1, 2023, establishes the Increased Access to Small Dollar Loans Pilot Program, which requires licensees and other entities that wish to participate in the pilot program to file an application and pay a fee to the state to participate in the program. The program authorizes a licensee to impose alternative interest rates and charges, including an administrative fee and delinquency fees, on unsecured loans of at least \$300 and less than \$2,500. This bill increases the upper limit on the amount of a permissible loan under the pilot program from \$2,500 to \$7,500.

AB 315 (Wood, Dem-Santa Rosa) Pharmacy Benefit Management

Vote: Passed 29-2

Summary: This legislation requires pharmacy benefit managers (PBM) to register with the Department of Managed Healthcare (DMHC), to exercise good faith and fair dealing, and to disclose, upon a purchaser's request, information with respect to prescription product benefits. The bill requires DMHC to convene a taskforce on PBM reporting to determine what information

related to pharmaceutical costs it should require to be reported by healthcare service plans or their contracted PBMs.

AB 349 (McCarty, Dem-Sacramento) Drug Medi-Cal Ratesetting

Vote: Passed 39-0

Summary: Current law provides for the Drug Medi-Cal Treatment Program, under which each county enters into contracts with the Department of Healthcare Services (DHCS) to provide various drug treatment services to Medi-Cal recipients. Current law specifies the method of determining the maximum allowable reimbursement rates for Drug Medi-Cal and group outpatient drug free services, and requires the Department to adopt any necessary regulations to implement those provisions, including emergency regulations. This bill authorizes the DHCS to implement, interpret, or make specific those provisions until the time that necessary regulations are adopted.

AB 553 (Daly, Dem-Anaheim) Workers Compensation Return to Work Program

Vote: Passed 26-12

Summary: Under the state workers' compensation system, existing law establishes a return to work program for the purpose of making supplemental payments to workers whose permanent disability benefits are disproportionately low in comparison to their earnings loss. This bill requires the Department of Industrial Relations – Division of Workers Compensation to have the program distribute, by April 1 of each year, commencing January 1, 2020, \$120 million annually to eligible workers on the basis of equal shares for each eligible worker.

AB 1697 (Insurance Committee) Workers Compensation

Vote: Passed 39-0

Summary: Current law requires the Insurance Commissioner to ensure that the Department of Insurance – Fraud Division pursue reported incidents of probable workers' compensation fraud. This bill establishes an antifraud support unit within the Department of Industrial Relations – Division of Worker Compensation. The bill sets forth the duties of the unit, including coordinating and advancing antifraud activities for the Division and serving as the point of contact between the Division and other agencies and entities engaged in antifraud activities.

AB 1751 (Low, Dem-San Jose) CURES Interstate Database

Vote: Passed 38-0

Summary: This bill requires the Department of Justice, no later than July 1, 2020, to adopt regulations regarding the access and use of the information within the Controlled Substance Utilization Review and Evaluation System (CURES) by consulting with stakeholders, and addressing certain processes, purposes, and conditions in the regulations. The bill authorizes the Department, once those regulations have been adopted, to enter into an agreement with any entity operating an interstate data sharing hub, or any agency operating a prescription drug monitoring program in another state, for purposes of interstate data sharing of prescription drug monitoring program information.

AB 1753 (Low, Dem-San Jose) CURES Database Prescription Serial Number

Vote: Passed 39-0

Summary: Current law requires prescription forms for controlled substance prescriptions to be obtained from security printers approved by the Department of Justice (DOJ). Current law requires a dispensing pharmacy, clinic, or other dispenser to report specified information to the Department. This bill authorizes the DOJ to reduce or limit the number of approved printers to three. The bill requires prescription forms for controlled substance prescriptions to have a uniquely serialized number and requires a printer to submit prescription information to the DOJ for all prescription forms delivered.

AB 1766 (Maienschein, Rep-San Diego) Public Swimming AED Requirement

Vote: Passed 39-0

Summary: This bill requires public swimming pools that are required to provide lifeguard services and that charge a direct fee to additionally provide an automated external defibrillator (AED) during pool operations. The bill also requires the Department of Education, in consultation with the Department of Public Health, to issue best practices guidelines related to pool safety at Kindergarten-12 schools.

AB 1772 (Aguiar-Curry, Dem-Napa) Fire Insurance Replacement Cost Time Limit

Vote: Passed 38-0

Summary: This bill extends the minimum time limit during which an insured may collect the full replacement cost of a loss relating to a state of emergency to 36 months. The bill requires that additional extensions of 6 months be provided to policyholders for good cause. The bill also requires that policy forms issued by an insurer be in compliance with these changes on and after July 1, 2019.

AB 1800 (Levine, Dem-Marin) Fire Insurance Replacement Cost

Vote: Passed 37-0

Summary: This measure prohibits, in the event of a total loss, a residential property insurance policy from containing a provision that limits or denies payment of building code upgrade cost or replacement cost, including extended replacement cost, to the extent those costs are otherwise covered under the policy, based on the fact the insured has chosen to rebuild or purchase a home at a new location. It also specifies that the measure of indemnity not exceed the cost to rebuild or replace at the original location.

AB 1860 (Limón, Santa Barbara-Dem) Healthcare Coverage Cancer Treatment

Vote: Passed 34-3

Summary: Current law prohibits, until January 1, 2019, an individual or group health care service plan contract or health insurance policy issued after January 1, 2015, that provides coverage for prescribed, orally administered anticancer medications used to kill or slow the growth of cancerous cells from requiring an enrollee or insured to pay, notwithstanding any deductible, a total amount of copayments and coinsurance that exceeds \$200 for an individual prescription of up to a 30-day supply of a prescribed orally administered anticancer medication. This bill extends the duration of this prohibition until January 1, 2024.

AB 1863 (Jones-Sawyer, Dem-Los Angeles) Commercial Cannabis Activity Income Tax Deduction

Vote: Passed 29-6

Summary: This bill allows taxpayers to deduct ordinary and necessary business expenses related to commercial cannabis activity. It amends state personal income tax law to decouple from a section of the Internal Revenue Code for businesses that are commercial cannabis activity and conducted by a licensee, and is effective beginning with taxable year 2018.

AB 1870 (Reyes, Dem-San Bernardino) Unlawful Employment Practices

Vote: Passed 25-10

Summary: The Fair Employment and Housing Act makes discrimination against or harassment of employees unlawful. Current law authorizes a person claiming to be aggrieved by an alleged unlawful practice to file a complaint with the Department of Fair Employment and Housing within one year from the date upon which the unlawful practice occurred. This bill extends the period to 3 years for which complaints alleging unlawful employment practices may be filed with the Department.

AB 1875 (Wood, Dem-Santa Rosa) Online Home Insurance Finder

Vote: Passed 39-0

Summary: This bill requires the Department of Insurance (CDI) to establish the California Home Insurance Finder on its website to help homeowners connect with an insurance agent or broker for residential property insurance. The bill requires the Department to annually survey agents, brokers, and insurers about inclusion in the finder, and post participants' names, addresses, phone numbers, and websites to the finder on or before July 1, 2020. The finder must be disclosed on or after July 1, 2020, upon an offer of a policy of residential property insurance. The bill requires a residential property insurer to notify CDI before February 1 of each year of the amount of extended replacement cost coverage it offers. If an insurer, utilizing an agent or broker or not, does not offer an applicant at least 50% above the residential dwelling coverage limit, the insurer, agent, or broker must provide the disclosure.

AB 1906 (Irwin, Dem-Thousand Oaks) Connected Device Information Privacy

Vote: Passed 29-8

Summary: This bill, beginning in 2020, requires a manufacturer of a connected device to equip the device with a reasonable security feature or features, appropriate to the nature and function of the device, and the information it may collect, contain, or transmit, designed to protect the device and any information contained therein from unauthorized access.

AB 1976 (Limón, Dem-Santa Barbara) Employment Lactation Accommodation

Vote: Passed 35-0

Summary: Current law requires every employer to provide a reasonable amount of break time to accommodate an employee desiring to express breast milk for the employee's infant child and requires an employer to make reasonable efforts to provide the employee with the use of a room or other location, other than a toilet stall, in close proximity to the employee's work area for the employee to express milk in private. Current law makes a violation of these provisions subject to a civil penalty and makes the Labor Commissioner responsible for enforcement. This bill requires an employer to make reasonable efforts to provide an employee with use of a room or other location, other than a bathroom, for these purposes.

AB 1999 (Chau, Dem-Arcadia) Local Government Broadband Services

Vote: Passed 28-4

Summary: This bill establishes net neutrality rules for local governments that provide broadband services, expands the types of local agencies that may provide broadband infrastructure or services to include County Service Areas and Enhanced Infrastructure Financing Districts, and removes requirements on Community Services Districts to seek out a private provider before entering the broadband market and to sell or lease their broadband facilities and services to a private provider if one subsequently enters the market.

AB 2020 (Quirk, Dem-Hayward) Cannabis Temporary Events

Vote: Passed 30-9

Summary: The Medicinal Adult Use Cannabis Regulation and Safety Act authorizes a state licensing authority to issue a temporary event license to a licensee authorizing onsite cannabis sales to, and consumption by, persons 21 years of age or older at a county fair or district agricultural association event. This bill authorizes a state temporary event license to be issued to a licensee for an event to be held at any other venue expressly approved by a local jurisdiction for events.

AB 2037 (Bonta, Dem-Alameda) Pharmacy Automated Drug Delivery Systems

Vote: Passed 35-0

Summary: This bill provides an alternative program to authorize a pharmacy to provide pharmacy services to covered entities that are eligible for discount drug programs under federal law through the use of an automated patient dispensing system (APDS), which is used for storage and dispensing of prescribed drugs directly to patients. An APDS must collect, control, and maintain all transaction information to accurately track the movement of drugs into and out of the system for security, accuracy, and accountability.

AB 2046 (Daly, Dem-Anaheim) Workers Compensation Insurance Fraud Reporting

Vote: Passed 39-0

Summary: This bill adopts recommendations from the State Auditor regarding workers' compensation fraud fighting efforts, including requiring that a governmental agency in possession of information relating to workers' compensation fraud to, upon request of another governmental agency that uses the information for purposes of investigation, prosecution, or detection of workers' compensation fraud, provide that information to the requesting agency; and, authorizes the Fraud Assessment Commission to augment, rather than offset, its annual assessment on employers to fund the workers' compensation fraud program with unused funds from previous assessments.

AB 2086 (Gallagher, Rep-Chico) Prescriber CURES Database Access

Vote: Passed 39-0

Summary: Current law requires the Department of Justice to maintain the Controlled Substance Utilization Review and Evaluation System (CURES) for the electronic monitoring of the prescribing and dispensing of Schedule II, Schedule III, and Schedule IV controlled substances by a healthcare practitioner authorized to prescribe, order, administer, furnish, or dispense a Schedule II, Schedule III, or Schedule IV controlled substance. This bill allows

prescribers to access the CURES database for a list of patients for whom that prescriber is listed as a prescriber in the CURES database.

AB 2091 (Grayson, Dem-Concord) Prescribed Burn Insurance Pool

Vote: Passed 39-0

This bill expresses the intent of the Legislature to enact legislation to increase the scale of prescribed fire and to reduce barriers for conducting prescribed burns. The bill requires the Forest Management Taskforce, on or before January 1, 2020, and in coordination with the Department of Insurance, to develop recommendations for the implementation of an insurance pool or other mechanism for prescribed burn managers that reduces the cost of conducting prescribed fire while maintaining adequate liability protection for lives and property when conducting prescribed burns.

AB 2167 (Chau, Dem-Arcadia) Digital Pill Privacy

Vote: Failed 15-12

Summary: This bill defines medical information for purposes of the Confidentiality of Medical Information Act to include any information in possession or derived from a digital health feedback system, also known as a digital pill. The bill requires a manufacturer or operator that sells a device or software application that may be used with a digital pill to a consumer to equip the device or software application with security features appropriate to the nature of the device.

AB 2188 (Mullin, Dem-San Mateo) Online Campaign Advertisement Disclosure

Vote: Passed 31-8

Summary: This bill requires online platforms that sell political advertisements to make information about the source of those political ads available to the public, makes changes to the format for disclosures on electronic media ads that are required by existing law, and requires disclosures to be included on electronic media ads that are paid for by political parties or candidates.

AB 2255 (Lackey, Rep-Santa Clarita) Cannabis Distribution Violations

Vote: Passed 39-0

Summary: Under the Medicinal Adult Use Cannabis Regulation and Safety Act, transporting, or arranging for or facilitating the transport of, cannabis or cannabis product in violation of the Act is grounds for disciplinary action against the licensee. This bill prohibits a licensed distributor from transporting an amount of cannabis or cannabis products in excess of the amount stated on the shipping manifest.

AB 2275 (Arambula, Dem-Fresno) Medi-Cal Managed Care Quality Assessment

Vote: Passed 26-12

Summary: This bill requires the Department of Healthcare Services to establish a quality assessment and performance improvement program for Medi-Cal managed care plans, through which the plans would be required to meet a minimum performance level that improves quality of care and reduces health disparities for beneficiaries. The bill requires managed care plans that meet the performance targets to receive financial incentives. The

bill requires the Department, in consultation with stakeholders, to develop a plan for a value-based financial incentive program.

AB 2276 (Burke D) Auto Body Repair Rate Surveys

Vote: Inactive File. Dead

Summary: This bill requires an auto body repair labor rate survey to meet standards, including that it randomly surveys the number of shops necessary to obtain responses that achieve a minimum confidence level of 90% and a standard error of no more than 10%. The bill eliminates a rebuttable presumption that the insurer has attempted, in good faith, to effectuate a fair and equitable labor rate or adjustment of the labor rate component of a written estimate if the survey complies with existing Department of Insurance regulations. The bill permits an insurer or auto body repair shop to negotiate a labor rate that is higher or lower than the prevailing auto body repair labor rate.

AB 2346 (Quirk, Dem-Hayward) Electric Utility Wildfire Expense Accounts

Vote: Passed 39-0

Summary: This legislation requires the Public Utilities Commission (PUC) to authorize an electrical corporation to establish a wildfire expense account for incremental unreimbursed costs relating to California wildfires that occur on or after January 1, 2015, and to record certain costs in those accounts. The bill requires the recovery in rates of those costs to be subject to review by the Commission. The bill requires an electric utility to notify the PUC by letter within 30 days after it begins recording costs in its expense account.

AB 2384 (Arambula, Dem-Fresno) Medication Assisted Treatment

Vote: Passed 26-9

Summary: This bill requires a health plan and health insurer to provide medication assisted treatment and overdose prescription drugs for opioid use disorder; and, prohibits health plans and insurers from using prior authorization, or fail first or step therapy and other utilization management requirements. The legislation sunsets on January 1, 2024.

AB 2395 (Calderon, Dem-Whittier) California Life & Health Insurance Guarantee Association

Vote: Passed 39-0

Summary: Current law provides that the California Life and Health Insurance Guarantee Association (CLHIGA) may guarantee, assume, or reinsure the policies of an impaired insurer. Current law authorizes the Association's board of directors to request that the Department of Insurance order an examination of a member insurer that may be impaired or insolvent. This bill requires CLHIGA to annually provide a financial report to the Department, which includes a list of insurers writing longterm care insurance that the Association has identified to be operating in a hazardous manner that may result in insolvency.

AB 2472 (Wood, Dem-Santa Rosa) Public Health Insurance Analysis

Vote: Passed 27-10

Summary: This bill requires Covered California to prepare an analysis and evaluation to determine the feasibility of a public health insurance plan option to increase competition and choice for healthcare consumers. The bill requires the feasibility analysis to include a state

developed public health insurance plan; a discussion of potential funding and state costs for a public health insurance plan; and, an analysis of the extent to which a new public health insurance plan option could address the underlying factors that limit health plan choices in some regions.

AB 2499 (Arambula, Dem-Fresno) Healthcare Coverage Medical Loss Ratios

Vote: Passed 39-0

Summary: This bill deletes requirements in existing law that health insurance medical loss ratios (MLR) be implemented to the extent required by, in compliance with and not to exceed federal law, and instead, requires MLRs to be implemented as described in federal law and any rules or regulations issued as in effect on January 1, 2017.

AB 2546 (Chau D) Commercial Email Advertisements

Vote: Passed 25-12

Summary: Current law prohibits a person or entity from initiating or advertising in unsolicited commercial email advertisements. This bill expands the definition of commercial email advertisement to include an electronic mail message initiated for the purpose of advertising or promoting the lease, sale, rental, gift offer, promotion, or other disposition of stocks, bonds, sweepstakes, insurance, employment opportunities, or any other solicitation, excluding charitable or political solicitations.

AB 2632 (Santiago D) Packaging Slack Fill

Vote: Passed 38-0

Summary: The Sherman Food, Drug, and Cosmetic Law, establishes a prohibition against nonfunctional slack fill for commodities containers subject to that law and specifies 14 reasons that a container may contain slack fill without violating the prohibition. This bill allows containers to comply with the Law by using “fill line” and “actual size” labeling.

AB 2634 (Chau, Dem-Arcadia) Life Insurance Policy Price Change Notice

Vote: Passed 39-0

Summary: Current law requires an insurer to provide notice to the policyholder of a life insurance policy upon an increase of premium if that policy provides for premium changes. For a policy in effect on or after April 1, 2019, this bill requires an insurer to provide a summary notice to a policyholder of a flexible premium life insurance policy whenever the policy is subject to an adverse change in the current scale of nonguaranteed elements.

AB 2721 (Quirk, Dem-Hayward) Cannabis Testing Laboratories

Vote: Passed 33-5

Summary: This legislation permits a testing laboratory to receive and test samples of cannabis or cannabis product from a person over 21 years of age when the cannabis has been grown by that person for personal use. The bill prohibits a testing laboratory from certifying samples for the person over 21 years of age for resale or transfer to another person or licensee.

AB 2760 (Wood, Dem-Santa Rosa) Naloxone Patient Education Requirement

Vote: Passed 38-0

Summary: This measure requires a prescriber to offer a prescription for naloxone hydrochloride or another drug approved by the United States Food and Drug Administration for the complete or partial reversal of opioid depression to a patient when certain conditions are present and to provide education on overdose prevention and the use of naloxone. The bill subjects a prescriber to referral to the Medical Board of California charged with regulating his or her license for the imposition of administrative sanctions, as that board deems appropriate, for violating those provisions.

AB 2783 (O'Donnell, Dem-Long Beach) Hydrocodone Combination Schedules

Vote: Passed 39-0

Summary: This bill reclassifies hydrocodone combination products as Schedule II controlled substances. By expanding the scope of the existing crimes that apply to Schedule II controlled substances, this bill imposes a state-mandated local program.

AB 2799 (Jones-Sawyer, Dem-Los Angeles) Adult-Use Cannabis OSHA Training

Vote: Passed 33-6

Summary: This legislation requires an applicant for initial licensure or renewal of a state license under the Medicinal Adult Use Cannabis Regulation and Safety Act to provide a statement that the applicant employs, or will employ within one year of receiving a license or renewal, one supervisor and one employee who have successfully completed a 30-hour general industry course offered by a training provider that is authorized by an Occupational Safety and Health Administration Training Institute Education Center to provide the course.

AB 2802 (Friedman, Dem-Los Angeles) Insurance Payment Interception

Vote: Passed 39-0

Summary: This bill requires insurers to participate in a program to intercept insurance payments to parents that have unpaid child support obligations. It requires an insurer to check for unpaid child support obligations before issuing payments related to life insurance policies, annuities, disability income policies, and property insurance policies. The bill also requires an insurer, if the recipient is an obligor, to redirect that payment to the Department of Child Support Services to satisfy the unpaid child support obligation.

AB 2844 (Cooley, Dem-Rancho Cordova) Insurance Agents & Broker Commission

Vote: Passed 39-0

Summary: Current law generally regulates the conduct of business between insurers and broker-agents. Under current law, when a broker-agent's contract is terminated, the rights, duties, and obligations set forth in the terminated contract continue solely with respect to policies then in force or renewed, until those policies are canceled, placed by the broker-agent with another insurer, or have expired, as provided. This bill requires that any commission payable to a broker-agent be at the rate and in accordance with the terms agreed to in writing between the insurer and the broker-agent.

AB 2863 (Nazarian, Dem-Van Nuys) Healthcare Insurance Prescription Cost

Vote: Passed 39-0

Summary: This legislation limits the amount a healthcare service plan or health insurer may require an enrollee or insured to pay at the point of sale for a covered prescription to the lesser of the applicable cost-sharing amount or the retail price. The bill prohibits a healthcare service plan or health insurer from requiring a pharmacy to charge or collect a cost-sharing amount from an enrollee or insured that exceeds the total retail price for the prescription drug, and provides that the payment rendered by an enrollee or insured constitutes the applicable cost sharing.

AB 2899 (Rubio, Dem-Covina) Cannabis Advertisements

Vote: Passed 39-0

Summary: The Medicinal Adult Use Cannabis Regulation and Safety Act authorizes a licensee to advertise and market cannabis products subject to specified restrictions, including accurately and legibly identifying the licensee responsible for that content by adding, at a minimum, the licensee's license number, and prohibits a licensee from advertising or marketing in a manner that is false or untrue. This bill prohibits a licensee from publishing or disseminating advertisements or marketing of cannabis and cannabis products while the licensee's license is suspended.

AB 2927 (Nazarian, Dem-Van Nuys) California Earthquake Authority Insurer Assessment

Vote: Passed 37-0

Summary: Current law authorizes the California Earthquake Authority (CEA) to surcharge all CEA policies, in a net amount not to exceed \$1 billion, plus costs of issuance and sale of those revenue bonds or other debt and amounts paid or payable to bond issuers and providers of credit support and letters of credit, to secure funds to repay the bonded indebtedness or other debt, and requires a CEA policy to include a specified notice of the surcharge to its policyholders. This bill allows CEA to sell investment grade revenue bonds or secure other debt financing up to \$1 billion if existing sources of capital plus risk transfer provided through capital market contracts are exhausted.

AB 2998 (Bloom, Dem-Santa Monica) Consumer Products Flame Retardants

Vote: Passed 29-9

Summary: This measure prohibits sale of new, not previously owned juvenile products, mattresses, or upholstered furniture that contains, or a constituent component of which contains, covered flame retardant chemicals at levels above 1,000 parts per million (PPM), and prohibits a custom upholsterer from, repairing upholstered furniture or reupholstered furniture using replacement components that contain covered flame retardant chemicals at levels above 1,000 PPM.

AB 3080 (Gonzalez-Fletcher, Dem-San Diego) Employment Discrimination Enforcement

Vote: Passed 26-12

Summary: This legislation prohibits an employer from, as a condition of employment or as a condition of entering into a contractual agreement, prohibiting an employee or independent contractor from disclosing to any person an instance of sexual harassment that the employee

or independent contractor suffers, witnesses, or discovers in the workplace or in the performance of the contract.

AB 3081 (Gonzalez-Fletcher, Dem-San Diego) Workplace Sexual Harassment

Vote: Passed 25-13

Summary: This bill prohibits an employer from discharging or in any manner discriminating or retaliating against an employee who is a victim of sexual harassment for taking time off work to obtain relief or because of the employee's status as a victim of sexual harassment and requires an employer to provide reasonable accommodations to the employee. This bill requires a client employer to share with a labor contractor all civil legal responsibility and civil liability for harassment for all workers supplied by that labor contractor. The bill applies provisions to the Fair Employment and Housing Act.

AB 3173 (Irwin, Dem-Thousand Oaks) Unmanned Aircraft System Use

Vote: Inactive File. Dead

Summary: Current federal laws and regulations regulate the operation of unmanned aircraft systems (UASs). Current federal laws and regulations require the registration of certain UASs, require commercial operators of UASs to be licensed, prohibit the operation of UASs above specified altitudes and within certain distances of an airport, prohibit nighttime operation, and require a UAS to remain within the sight of the pilot. This bill makes it an infraction to operate an unregistered UAS that is required to be registered under federal law.

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